

AMENDED IN SENATE MAY 18, 2009

AMENDED IN SENATE APRIL 13, 2009

SENATE BILL

No. 548

Introduced by Senator Huff

(Coauthor: Senator Florez)

(Coauthors: Assembly Members Nestande, Portantino, Price, and Silva)

February 27, 2009

An act to amend Section 999.5 of the Military and Veterans Code, relating to veterans.

LEGISLATIVE COUNSEL'S DIGEST

SB 548, as amended, Huff. California Disabled Veteran Business Enterprise Program.

Under existing law, the Department of General Services, except in the case of contracts for professional bond services, is the administering agency of the California Disabled Veteran Business Enterprise Program, which requires state agencies and all other state entities contracting for materials, supplies, equipment, alteration, repair, or improvement to have at least 3% participation goals for disabled veteran business enterprises. Existing law specifies the duties of the Department of General Services and the Department of Veterans Affairs in meeting that requirement, and sets standards for meeting the program's participation goals, as provided.

This bill would require an awarding department, *upon completion of an awarded contract for which a commitment to achieve a disabled veteran business enterprise goal was made*, to require ~~any~~ the prime contractor that ~~enters~~ *entered* into a subcontract with a disabled veteran business enterprise to certify to the awarding department that all payments under the contract have been made to the disabled veteran

business enterprise. This bill would also require an awarding department to keep that certification on file. This bill would specify that a person or entity that knowingly provides false information is subject *to* a civil penalty, as specified, and that an action for a civil penalty may be brought by any public prosecutor in the name of the people of the State of California.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 999.5 of the Military and Veterans Code
2 is amended to read:
3 999.5. (a) The administering agency for the California Disabled
4 Veteran Business Enterprise Program is the Department of General
5 Services, except in the case of contracts for professional bond
6 services. The Department of General Services shall consult with
7 the California Disabled Veteran Business Enterprise Program
8 Advocate, appointed by the *Secretary of the* Department of
9 Veterans Affairs pursuant to Section 999.11, on all matters relating
10 to the California Disabled Veteran Business Enterprise Program.
11 The Director of General Services shall adopt written policies and
12 guidelines establishing a uniform process for state contracting that
13 would provide a disabled veteran business enterprise participation
14 incentive to bidders. The incentive program shall be used by all
15 state agencies when awarding contracts.
16 (b) The Department of Veterans Affairs shall do all of the
17 following:
18 (1) Establish a method of monitoring adherence to the goals
19 specified in Sections 999.1 and 999.2.
20 (2) Promote the California Disabled Veteran Business Enterprise
21 Program to the fullest extent possible.
22 (3) Maintain complete records of its promotional efforts.
23 (4) Establish a system to track the effectiveness of its efforts to
24 promote the California Disabled Veteran Business Enterprise
25 Program, which shall include regular, periodic surveys of newly
26 certified disabled veteran business enterprises to determine how
27 they learned of the program, why they became certified, and what
28 their experience with awarding departments has been.

1 (c) An awarding department shall not credit toward the
2 department's 3-percent goal state funds expended on a contract
3 with a disabled veteran business enterprise that does not meet and
4 maintain the certification requirements.

5 (d) ~~An~~ Upon completion of an awarded contract for which a
6 commitment to achieve a disabled veteran business enterprise goal
7 was made, an awarding department shall require ~~any~~ the prime
8 contractor that ~~enters~~ entered into a subcontract with a disabled
9 veteran business enterprise to certify to the awarding department
10 that all payments under the contract have been made to the disabled
11 veteran business enterprise. An awarding department shall keep
12 that certification on file. A person or entity that knowingly provides
13 false information shall be subject to a civil penalty for each
14 violation in the minimum amount of two thousand five hundred
15 dollars (\$2,500) and the maximum amount of twenty-five thousand
16 dollars (\$25,000). An action for a civil penalty under this
17 subdivision may be brought by any public prosecutor in the name
18 of the people of the State of California and the penalty imposed
19 shall be enforceable as a civil judgment.

20 (e) The administering agency shall adopt rules and regulations,
21 including standards for good faith efforts, for the purpose of
22 implementing this section. Emergency regulations consistent with
23 this section may be adopted.